



DEPARTMENT OF THE NAVY
NAVAL SEA SYSTEMS COMMAND
1333 ISAAC HULL AVENUE, S.E.
WASHINGTON NAVY YARD, DC 20376-0001

IN REPLY TO

J&A Number: 54,210
Code: SEA 02541
PR: N0002412NR48028

JUSTIFICATION AND APPROVAL
FOR USE OF OTHER THAN FULL AND OPEN COMPETITION

JUSTIFICATION

1. Contracting Activity

The Naval Sea Systems Command, Surface Systems Contracts Division, SEA 02541.

2. Description of the Action Being Approved

Authority to enter into a Firm Fixed Price (FFP) sole source contract with Ball Aerospace Incorporated of Broomfield, Colorado to procure [REDACTED], with an option for [REDACTED] Developmental Prototype "Stalker" Long Range Electro-Optical (EO)/Infrared (IR)/Laser Range Finder (LRF) Systems, Installation, Spares, and Engineering Support (utilization of laboratory GFP to fabricate and integrate an experimental asset for PELILIU).

3. Description of Supplies/Services

The proposed acquisition is for the fabrication, test, integration, delivery and installation of Developmental Prototype "Stalker" Long Range EO Sensor System, Spares, Engineering Support and associated TDP used for the NATO SEASPARROW Missile System (NSSMS) MK 57 on the MK 9 Tracker Illuminator System (TIS) as a replacement to the Low Light Level Television System (LLLTV) required by the NATO SEASPARROW Project Office (NSPO). The period of performance for this effort, including options, is 17 months. The Government's minimum needs have been verified by the certifying technical and requirements personnel.

The following table depicts the approximate budget for RDT&E as follows:

	FY11	FY12	Totals
RDT&E	\$5.50M	\$5.60M	\$11.10M
Total	\$5.50M	\$5.60M	\$11.10M

4. Statutory Authority Permitting Other Than Full and Open Competition

10 U.S.C. 2304(c)(1), as implemented in FAR 6.302-1: The supplies and services are available from only one responsible source and no other type of supplies or services will satisfy agency requirements.

5. Rationale Justifying Use of Cited Statutory Authority

[REDACTED] the [REDACTED] provided the Chief of Naval Operations (CNO) direction addressing the UONS issues in the [REDACTED] and prioritization of recommended solutions relative to fulfillment of the UONS; Stalker specifically identified as one of the priorities. As a result of the [REDACTED] memorandum, on [REDACTED], at the CNO Executive Board, the CNO directed [REDACTED] of existing prototype systems between [REDACTED]. The CNO also requested procurement of a [REDACTED] as soon as possible to assure the outfitting of [REDACTED] ships. Rapid fielding of the Stalker system in response to this UONS will fulfill the Fleet's need and help mitigate [REDACTED]

Without the Stalker system deliveries and subsequent installations beginning [REDACTED] an unacceptable risk is created to ships [REDACTED]. Installation of systems is best accomplished during shipyard availability with accompanying crew training in a non-operational environment although systems could be installed [REDACTED] if absolutely necessary. Installation [REDACTED] would be significantly more expensive and intrusive on the ship's operational schedule and commitments. Per aforementioned CNO direction, [REDACTED] ships are to be equipped with [REDACTED] to achieve 360 degree coverage. The Navy is currently unable to meet this requirement due to a lack of available systems and has begun risk mitigation planning for ships that [REDACTED] the next system.

The Stalker EO prototype is the only EO/IR system in the marketplace with the existing interface characteristics required for NSSMS interoperability. It is expected that Ball Aerospace can deliver the [REDACTED], and can begin delivery of Stalker systems within 9 months after contract award. All other products would require considerable cost and schedule investments for mechanical, electrical, and electronic system modifications and adaptations in order to interoperate with the NSSMS.

Even with required Government support and lessons learned, it is estimated that a new contractor would require 18 months to 2 years to develop and produce a first article verified working prototype for testing. Testing would require an additional six (6) months causing a total delay of 24 to 30 months which is unacceptable and will not support the aforementioned fleet schedule requirements. Based upon the above, Ball Aerospace is the only supplier that can deliver and install units to meet Fleet need dates.

NAVSEA 05W Technical Warrant Holder (TWH) for EO/IR Sensing Systems and the NSWC Crane EO Technology Division performed market research for the NSSMS EO/IR requirements. They maintain an extensive EO/IR Technical Library on products in the marketplace and DoD systems, science and technology. From this library, three most relevant candidate systems were determined. Only the Stalker EO sensor system was compatible with the NSSMS interfaces. Their market research concluded that the Stalker sensor system is the only existing technically acceptable system to meet the NSSMS EO/IR requirements and that other products in the marketplace would require considerable modifications to provide interface compatibility and significant development to provide equivalent Detection, Recognition, and Identification (DRI) range performance and reliability.

6. Description of Efforts Made to Solicit Offers from as Many Offerors as Practicable

The proposed procurement was synopsisized on the Federal Business Opportunities website www.fbo.gov on 23 May 2012. Three (3) interested vendors responded to the synopsis. The first vendor [REDACTED] was interested in subcontracting opportunities. The PCO provided the vendor interested in subcontracting opportunities with Ball Aerospace's contact information, and [REDACTED] was satisfied with this information provided. The second vendor [REDACTED] is a foreign company based in India. After determining that the vendor had a proper cage code, the company was invited to submit a statement of capabilities on 7/9/2012 with a 7/20 suspense date. The company was informed that failure to respond would constitute an acknowledgement that NAVSEA would not consider the company for this procurement. No response was provided to NAVSEA. The third vendor [REDACTED] submitted a statement of capabilities and specifications for an alternate product. After examination of the documentation, the program office determined that the product being offered did not meet the Navy's capability needs and could not be shown to be

compatible with existing NSSMS systems without additional interface developments. The Contracting Officer contacted [REDACTED] and discussed the limitations of their capabilities, and informed [REDACTED] that the Navy would keep [REDACTED] in mind for any future Stalker requirements. [REDACTED] was satisfied with this response from the Navy.

Any additional interested vendors will be considered prior to award. The Navy will evaluate any responses received as a result of this synopsis for capability to fill the Navy's requirements.

7. Determination of Fair and Reasonable Costs

The Contracting Officer has determined that the anticipated cost to the Government for the supplies/services covered by the J&A will be fair and reasonable. The NAVSEA contracting office will use cost and price analysis to determine a fair and reasonable price. Assistance from the Defense Contract Audit Agency (DCAA) and the Defense Contract Management Agency (DCMA) will be utilized to analyze, evaluate, and negotiate based upon detailed cost or pricing data, which will be certified by the Contractor at the conclusion of negotiations.

8. Actions to Remove Barriers to Competition

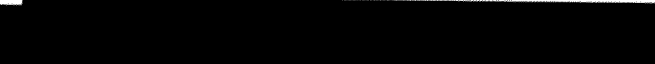

In order to enhance the potential for competition in the future, a TDP with at least Government purpose rights will be procured for the Stalker production configuration should the Navy pursue future Stalker production systems.

CERTIFICATIONS AND APPROVAL

TECHNICAL/REQUIREMENTS CERTIFICATION (FAR 6.303-2(b))

I certify that the facts and representations under my cognizance, which are included in this justification and its supporting acquisition planning data, including Acquisition Plan No. NAVSEA 86-092 REV 12 (11), except as noted herein, are complete and accurate to the best of my knowledge and belief.

TECHNICAL COGNIZANCE:


 ENGINEERING DIRECTOR 
Signature Name (Print) and Title (Code) Phone No. Date / /

REQUIREMENTS COGNIZANCE:


Signature Name (Print) and Title (Code) Phone No. Date
PROJECT MANAGER

LEGAL SUFFICIENCY REVIEW (NMCARS 5206.303(90))

I have determined this justification is legally sufficient.


Signature Name (Print) and Title (Code) Phone No. Date
Procurement Attorney



CONTRACTING OFFICER CERTIFICATION (FAR 6.303-2(a)(12))

I certify that this justification is accurate and complete to the best of my knowledge and belief.


Signature Name (Print) and Title (Code) Phone No. Date
Procuring Contracting Officer

APPROVAL BLOCK (FAR 6.304 for Approving Official)

Upon the basis of the above justification, I hereby approve, as Designee of the Head of the Contracting Activity, the solicitation of the proposed procurement(s) described herein using other than full and open competition, pursuant to the authority of 10 U.S.C. 2304(c)(1).


Signature Name (Print)
 Jerome F. Punderson, Director of Contracts

7/27/12
Date